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Quarterly Performance Report July - September 2014

Investment Enabling Environment (INVEST) Project

Submitted to:

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LIST OF ACRONYMS

APEC	Asia-Pacific Economic Cooperation
ATM	Automated Teller Machine
BCG	Batangas City Government
BFP	Bureau of Fire Protection
BIR	Bureau of Internal Revenue
BOC	BPLS Oversight Committee
BOI	Board of Investments
BOSS	Business One-Stop Shop
BPLO	Business Permits and Licensing Office
BPLS	Business Permits and Licensing System
BPOSS	Business One-Stop Shop for Building and Occupancy Permits
BRIC	Business Resource and Innovation Center
CDI	Cities Development Initiative
CDO	Cagayan de Oro
CEO	City Engineer's Office
CENRO	City Environment and Natural Resources Office
CMCI	Cities and Municipalities Competitiveness Index
COR	Contracting Officer's Representative
CPA	City Program Adviser
CPDO	City Planning Development Office
DILG	Department of the Interior and Local Government
DOF	Department of Finance
DOH	Department of Health
DOST	Department of Science and Technology
DOT	Department of Tourism
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
EO	Executive Order
FSIC	Fire Safety Inspection Certificate
ICTIPB	Iloilo City Trade and Investment Promotions Board
INVEST	Investment Enabling Environment Project
IPC	Investment Promotions Center
IRR	Implementing Rules and Regulations
ISSP	Information System Strategic Plan
JIT	Joint Inspection Team
JMC	Joint Memorandum Circular No. 1, series of 2010
LCDC	Livable Cities Design Challenge
LCE	Local Chief Executive
LEIPO	Local Economic and Investment Promotion Officer
LGU	Local Government Unit
LIIC	Local Investment Incentives Code
LTTA	Long-Term Technical Assistant
MBBC	Metro Batangas Business Club
MFO	Major Final Output
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MUST	Mindanao University of Science and Technology

NCC	National Competitiveness Council
NEDA	National Economic and Development Authority
NGA	National Government Agency
NICP	National ICT Confederation of the Philippines
OBO	Office of the Building Official
OCVAS	Office of the City Veterinary and Agricultural Services
OIDCI	Orient Integrated Development Consultants, Inc.
P&A	Punongbayan and Araullo
PBR	Philippine Business Registry
PCCI	Philippine Chamber of Commerce and Industry, Inc.
PMO	Project Management Office
PTO	Project Technical Officer
RCA	Recipient Contracted Audit
RCC	Regional Competitiveness Committee
SGLG	Seal of Good Local Governance
SIMM	Scaling Innovations in Mobile Money
SOW	Scope of Work
STTA	Short-term Technical Assistance
TIPC	Trade and Investment Promotion Center
TWG	Technical Working Group
USAID	United States Agency for International Development

I. INTRODUCTION

The Investment Enabling Environment (INVEST) Project is funded by the United States Agency for International Development (USAID) under the Cities Development Initiative (CDI), within the over-all Partnership for Growth program between the governments of the Philippines and the United States. The Project seeks to promote economic growth in CDI partner cities by creating a competitive and business-friendly environment. It is being implemented in Batangas City, Iloilo City, and Cagayan de Oro City (CDO).

USAID awarded the Project to the Orient Integrated Development Consultants Incorporated (OIDCI) on September 30, 2011, originally under a two-year contract. On April 10, 2013, USAID issued a Preliminary Notice of Intent to Exercise of Option. Subsequently, on September 26, 2013, USAID issued a modification of original contract that extended the life of the Project up to September 2014 and provided for additional budget for the Option Year. During the Option Year, the Project continued to implement activities under three components: streamlining business registration processes and lowering transaction cost (Component 1), improving investment planning and promotion in partner cities (Component 2), and addressing cross-cutting concerns (Component 3). Thereafter, the Project was extended for another three months (up to end-December 2014) to work on the following deliverables: (1) assistance to the National Competitiveness Council (NCC) to mount the Liveable Cities Design Challenge (LCDC); and (b) logistical and administrative support to USAID in the expansion of the Cities Development Initiatives (CDI) Program.

Major Accomplishments for the 12th Quarter

Co-sponsored the 2nd Regional Competitiveness Summit

The Project assisted the National Competitiveness Council (NCC) in organizing the 2nd Competitiveness Summit held on August 7, 2014, where the results of the ranking of the 2014 Cities and Municipalities Competitiveness Index (CMCI) was announced. The number of local governments that participated in the 2014 CMCI rose to 535, more than double the 235 LGUs included in the 2013 exercise. Two of the partner cities of the Project made it to the top ten most competitive cities for 2014 – Cagayan de Oro city (ranked 2nd) and Iloilo City (ranked 6th).

Aside from supporting the Summit, the Project also prepared three manuals that would institutionalize the annual computation of the CMCI in the future – one each for the NCC, the Regional Competitiveness Committees (RCCs), and the cities and municipalities. The manual for the RCCs was distributed during the business meeting held on August 7, 2014.

Established Online Business Registration in Partner Cities.

In the 12th Quarter, the Project promoted the use of technology and encouraged partner cities to adopt online systems for business registration. Thus, the partner cities pursued activities leading to the establishment of online business registration in time for the renewal of business permits in January 2015. The Project worked closely with the Scaling Innovations in Mobile Money (SIMM) Project of USAID in order to provide a facility for payment of business permits using mobile money.

Assisted Batangas and Cagayan de Oro Cities in Developing Technology-supported Solutions for Business-related Permits

The Batangas City government successfully created a working prototype of the paperless checklist to be used by the Safety Joint Inspection Team. The browser-based application can be used through tablets or smartphones, thereby eliminating the need for paper-based checklists.

In Cagayan de Oro, the Project assisted the City Government in preparing a proposal for Php 2 million grant from the Department of Science and Technology (Region 10 office) that will support the development of a software for an online registration system for construction-related permits by the Mindanao University of Science and Technology (MUST). The proposal has been submitted to DOST.

Recommended Revised Standards for Business Permitting

The Project also reviewed the Joint Memorandum Circular (JMC) between the Department of the Interior and Local Government (DILG) and the Department of Trade and Industry (DTI) issued on July 2010 that set, for the first time, standards for processing the Mayor's Permit. A new set of service standards in business permitting among local government units (LGUs) are being recommended by the Project that would require amending the JMC issued in 2010. The revised standards were presented to and later adopted by the BPLS Oversight Committee (BOC) as reported in the 11th Quarterly Report. For this quarter, the National Competitiveness Council (NCC) agreed to shepherd the signing of the new JMC by the concerned agencies and to organize three island-wide National Forums on BPLS in October 2014. In preparation for this, the Project prepared a revised JMC and a corresponding manual of operations.

Promoted the Next Wave of Business Permitting Reforms

The Project completed its studies on the next wave of permitting reforms covering the construction, sanitary, and tourism sectors in the CDI cities. To disseminate these studies, the Project organized two forums with stakeholders, one each in Batangas and Cagayan de Oro cities.

Conducted Preparatory Activities for Launching of Trade and Investment Promotion Center (TIPC) in CDO

The Project played an active role in preparing the Executive Order (EO) that established the Trade and Investment Promotion Center, the first to be set up among the CDI cities. The same EO also provided for the implementing rules and regulations of the Cagayan de Oro Investment Incentives Code. The Project likewise engaged the offices of national government agencies in CDO to support the TIPC.

Completed Preparatory Activities for the Liveable Cities Design Challenge (LCDC)

The Project completed the mentoring of 16 cities vying for the two categories under the LCDC – the government/evacuation center and the APEC center. Preparatory activities for the screening of competing cities, judging of finalists, and awarding of winners in the LCDC (which are scheduled in October) were also started during the quarter.

Impact of Project Activities

The CMCI is a significant accomplishment of the Project that has been implemented by the NCC for two years in a row and is in the process of being institutionalized by the government thru the NCC in partnership with the newly-organized Philippine Statistical Authority. The ranking of LGUs according to competitiveness has contributed to increasing the awareness of LGUs on the importance of providing an enabling environment that would make their localities more competitive. The index is now considered by LGUs as an important measure to benchmark their competitiveness.

The CMCI ranking has been included as one of two criteria under the assessment criterion “business friendliness and competitiveness” in the recently launched Seal of Good Local Governance (SGLG) of the DILG, which will be applied to highly urbanized, independent and component cities and all municipalities. Eligibility in the SGLG will enable LGUs to access the Performance Challenge Fund, a support fund to finance local development initiatives as well as other program windows and capacity development assistance from the DILG. The Project also contributed to institutionalizing the CMCI thru the coaching provided to the NCC, which for the first time, computed the indices with assistance from a consultant contracted by the Project. In addition, the Project also documented the methodologies for data gathering and computations thru manuals of operations that were handed over to the NCC and the RCCs. The activities of the Project ensured sustainability of the activity.

The online business registration systems in the CDI partner cities which are expected to be in place during the renewal period in January 2015 will be a trailblazing accomplishment of the three cities. Combined with the mobile payment system developed by the SIMM project of USAID, the online business registration will be the first end-to-end web and mobile-based business registration to be set up in the country. The system will not only lead to greater efficiency thru faster processing of business registration, it will also prevent corruption since business registrants need not deal with city officials directly. If successful, the online business registration of selected LGUs will complement the Philippine Business Registry (PBR) of DTI, enabling the country to have an online business registration from initial registration with the Securities and Exchange Commission and the DTI up to securing a Mayor’s Permit from the LGUs (including payment). The online business registration system will further improve the competitiveness not only of the partner cities but also of the Philippines.

The Project’s studies on the next wave of business permitting reforms serve as guides for partner cities, particularly in streamlining the processes for obtaining construction permits issued by local building officials. Cagayan de Oro City will input the results of the study in the Building Permit Management System which is being designed by the Mindanao University of Science and Technology. Batangas City and Iloilo City are also reviewing the studies to further improve their respective construction permits processes. Once implemented, the reforms are expected to lead to substantial reduction in steps in processing building and occupancy permits.

The proposed reforms in securing business permits for tourism enterprises will lead to a better understanding on when an accreditation certificate is needed when getting a Mayor’s Permit. Once signed, the circular is also expected to lead to savings in time and money for businesses in the tourism industry nationwide and to a system of information exchange between the Department of Tourism (DOT) and LGUs that would lead to a more comprehensive inventory of tourist enterprises registered in the country.

The study on sanitary permits is a seminal study of the Project that provides a workable solution to the perennial problem of the inability of sanitary inspectors to conduct inspections of all business enterprises covered in the Sanitation Code of the Philippines. Once adopted by the government, it will lead to better compliance to health regulations by business enterprises because of the more practical system of risk-based inspections.

The TIPC in Cagayan de Oro City can serve as a model for other cities in setting up a mechanism for investment promotion and granting of incentives.

The LCDC, which the Project supported, was a first of its kind in the Philippines. The LCDC can serve as an important activity to promote the development of resilient and sustainable communities in the Philippines.

Project Management

The Project went through the 2nd Recipient-Contracted Audit (RCA) for calendar year 2013 during the quarter, which was conducted by Punongbayan and Araullo (P&A), a local auditing firm. P&A completed its field work activities at the Project Management Office (PMO) on September 23, 2014, with no material financial findings.

As part of its ending activities, the Project submitted its Close-Out Plan on August 29, 2014 which was approved by the Contracting Officer on September 10, 2014.

The Project in the 13th Quarter

In the next quarter, the Project will focus its activities in assisting the NCC in the screening and judging of entries in the LCDC and in providing logistical and administrative support to USAID in the conducting a needs assessment of cities which are being considered to be part of the CDI. The Project will finish writing the reports of Project outputs and implement its close-out plan.

II. ACCOMPLISHMENTS BY PROJECT COMPONENT

The efforts of the Project to promote the competitiveness of the country in general and the CDI cities in particular were further bolstered during the quarter by policy initiatives proposed at the national level and by business process re-engineering using modern technology introduced by CDI cities. In addition, preparations were underway for the setting up of a virtual and physical investment promotion centers. The announcement of the competitiveness ranking of more than 500 LGUs by the NCC, in partnership with the Project, enhanced the efforts of the government to influence the LGUs in embracing the tenets of competitiveness, especially in the light of the ASEAN Economic Integration which is scheduled for implementation in 2015.

A. Component 1: Streamlining Business Registration Processes and Lowering Transaction Costs

The cities further pursued initial attempts at automating business permitting made in January 2014 with the development of an end-to-end online business registration with mobile payment system in the three cities. On the policy side, the Project was able to get the support of government thru the BPLS Oversight Committee members in pursuing a new set of service standards for processing business permits. The Project prepared policy directives (i.e. department circulars) to streamline procedures for processing building, occupancy, sanitation, fire safety inspection certificates and mayor's permit for tourism enterprises. This effort was supplemented by the Project through the conduct of dissemination forums aimed at informing the three CDI cities of recommendations for process improvements in business-related permits issued by local governments.

1. Program Area 1.1: Ensuring Compliance of Partner Cities with BPLS Standards

a. Key Accomplishments

The Project worked with the CDI cities in preparing for the 2015 business renewal period, specifically in setting up an improved version of an online business registration system, which was piloted during the 2014 business renewal period by Batangas and Iloilo cities. The objective was to develop an end-to-end system where business applicants can fill up a business registration form, submit the form with the requirements and get the bill of payment online. If the city has established a mobile payment system or an online payment system either through credit card or automated teller machine (ATM), then the applicant will be able to finish the business registration process in his/her home or in computer shops around the country. The three cities are targeting the launching of their online business registration systems and the mobile payment system before January 2015. During the quarter, the cities were working out their systems together with another USAID project, the Scaling Innovations in Mobile Money (SIMM). Among the cities, Cagayan de Oro will be the first to launch its online business registration system with mobile money payment on October 22, 2014 while Iloilo City is planning a similar launch on the first week of December 2014.

The Project started to disseminate the next wave of permitting reforms covering the construction, sanitary, and tourism sectors in the CDI cities. Two forums were organized by the

Project – one each in Batangas and Cagayan de Oro cities - during the quarter with concerned department heads of the cited city governments and other stakeholders.

**Table 1. Comparison of Planned Activities and Accomplishments
for the 12th Quarter under Program Area 1.1**

Program Area, Deliverables & Outputs	Planned Activities for the 12th Quarter	Activities Completed for the 12th Quarter
Deliverable 1: Ensured Compliance with BPLS Standards		
Output 1.1. Assessment Report on the Reforms Implemented for BPLS, BOSS, and Inspection Systems TCD: 15 November 2014	<ul style="list-style-type: none"> ▪ Conduct of preparations for the launching of mobile payment systems in Cagayan de Oro and Iloilo Cities ▪ Completion of the report 	<ul style="list-style-type: none"> ▪ Conducted meetings in CDO with SIMM Project and the City's IT department for the launching of the end-to end online business registration with mobile payment system on October 22, 2014 ▪ Conducted meetings w/ SIMM in Iloilo City for the launching of the mobile payment system in the city, which is tentatively scheduled in early December 2014 ▪ Reviewed the assessment report on the 2014 business permit processes in targeted cities (requested that the deadline for report be moved to mid November 2015)
Deliverable 2: Introduced Risk-Based Inspection In Partner Cities (Carry-Over from Year 2)		
Output 2.1. Recommendations on the adoption and implementation of a risk-based system for sanitation inspection TCD: 30 October 2014	<ul style="list-style-type: none"> ▪ Preparation of the Joint Memorandum Circular incorporating the recommendations of the study ▪ Presentation of the study to stakeholders ▪ Finalization of the Study 	<ul style="list-style-type: none"> ▪ Presented recommendations of the report to Batangas City (August 26), Cagayan de Oro City (September 17) and DILG (August 7)
Output 2.2. Recommendations on the adoption and implementation of risk-based system on fire inspection	<ul style="list-style-type: none"> ▪ No plans; study has been deleted in the approved revised option year work plan 	
Deliverable 3: Introduced Reforms in Securing Permits for Construction and Tourism Activities (Carry-Over from Year 2)		
Output 3.1. Recommendations on the adoption and implementation of the proposed streamlined processes for securing construction-related permits TCD: 30 October 2014	<ul style="list-style-type: none"> ▪ Preparation of a Joint Memorandum Circular incorporating the recommendations of the study ▪ Presentation of the study to stakeholders ▪ Finalization of the Study 	<ul style="list-style-type: none"> ▪ Presented the draft study to DILG on August 7, 2014 ▪ Presented the recommendations of the study in Batangas (August 26) and Cagayan de Oro cities (September 17) ▪ Requested that the deadline for the submission of the study be moved to end-October 2014
Output 3.2. Recommendations on the	<ul style="list-style-type: none"> ▪ Preparation of the Joint Memorandum Circular 	<ul style="list-style-type: none"> ▪ Presented the draft recommendations to

Program Area, Deliverables & Outputs	Planned Activities for the 12 th Quarter	Activities Completed for the 12 th Quarter
adoption and implementation of the proposed streamlined processes for securing permits for hotels and similar establishments TCD: 15 November 2014	incorporating the recommendations of the study <ul style="list-style-type: none"> ▪ Presentation of the study to stakeholders ▪ Finalization of the Study 	Department of Tourism (August 5), to DILG (August 7), and in a joint DOT-DILG meeting (August 19) to discuss the draft Joint Memorandum Circular streamlining the procedures for business registration of tourism enterprises <ul style="list-style-type: none"> ▪ Presented the recommendations of the study in Batangas (August 26) and Cagayan de Oro cities (September 17)

b. Plans for the 13th Quarter

In the next quarter, the Project will focus on finalizing the reports for submission to USAID and will push for the signing of the legal instruments that will implement the reforms being recommended by the Project. The circulars that have been drafted and are awaiting action by the oversight agencies include: (1) DPWH-DILG JMC on the “*Guidelines in the Implementation of Streamlined Processes in the Issuance of Building Permit and Certificate of Occupancy*,” (2) DILG-DOT JMC on the “*Guidelines for Processing Business Permit Applications of Tourism Enterprises*”; and (3) the DOH Circular on the “*Streamlining of Procedures on Sanitary Permit Application and Risk-Based Sanitary Inspection of Business Establishments*.”

2. Program Area 1.2: Strengthening National Government Support to BPLS Reforms

a. Key Accomplishments

As the Project nears its ending in December 2014, efforts were devoted in engaging oversight agencies to ensure that the recommendations under the various studies conducted by INVEST will be implemented. The Project drafted three circulars, in addition to those mentioned under Program Area 1.1 above, involving further streamlining of the business registration process. These include: (1) DILG-DTI-DOST JMC on the “*Revised Guidelines in Processing Business Permits and Licenses in all Cities and Municipalities in the Philippines*”; (2) Circular on the “*Streamlined Procedures for Securing Fire Safety Inspection Certificate (FSIC) as a Requirement for the Grant of Business Permit in Cities and Municipalities*”; and (3) Circular on the “*Proposed Revisions to the Implementing Rules and Regulations (IRR) of the amended Fire Code of the Philippines*.”

After the presentation of the proposed new standards for processing business permits by LGUs at the BPLS Oversight Committee on June 30, 2014, the Project submitted a draft JMC to DILG, DTI and DOST and a corresponding manual of operations. The National Competitiveness Council (NCC) secretariat agreed to shepherd the draft JMC thru activities that would lead to its signing. This is a major agreement, which ensures that the output of the Project – the revised BPLS standards – will be institutionalized.

Since the issuance of the FSIC is a requirement for business permitting in the Philippines, the Project also coordinated with the Bureau of Fire Protection (BFP) and the DILG in streamlining

the requirements for securing an FSIC. A major breakthrough was the agreement of the BFP to allow the LGUs to assess and collect the regular fire inspection fees under certain conditions. The Project assisted in drafting the revisions in the implementing rules and regulations of the amended Fire Code of the Philippines and a circular to be issued by the DILG to the LGUs on the new procedures for getting an FSIC.

At the national level, the Project coordinated with several oversight agencies, the Department of Tourism (DOT), the Department of Health (DOH), the DPWH and the DILG, in ensuring that the recommendations of the streamlining studies undertaken by the Project will be adopted and eventually implemented. Three major reforms are being promoted by the Project and under discussion with partner agencies: (1) streamlined procedures for securing building and occupancy permits; (2) streamlined procedures for securing business permits by tourism enterprises; and (3) adoption of risk-based inspection for sanitary permits;

On construction-related permits, the Project presented its findings to DILG (as its partner agency) and in the two cities – Batangas and Cagayan de Oro. A JMC incorporating the recommendations of the study has been drafted for DILG and the DPWH. The Project will organize a meeting between DILG and DPWH to discuss the next steps.

The Project likewise set several meetings between DILG and the DOT to discuss a draft joint circular that would streamline the procedures for securing a business permit for tourism-related enterprises. The DOT has agreed to take responsibility in having the JMC signed by the heads of DOT and DILG.

**Table 2. Comparison of Planned Activities and Accomplishments
for the 12th Quarter under Program Area 1.2**

Program Area, Deliverables & Outputs	Planned Activities for the 12th Quarter	Activities Completed for the 12th Quarter
Deliverable 1: Provided Technical Support to the Inter-Agency Committee on Philippine Business Registry and the Connectivity of the Partner Cities to PBR		
Output 1.1 PBR Connectivity of Partner Cities TCD: October 20, 2014	<ul style="list-style-type: none"> Conduct of meeting with DTI to determine their plans for the 3 CDI cities on the PBR connectivity Finalization of the report 	<ul style="list-style-type: none"> Met with DTI Undersecretary Nora Terrado on August 1, 2014 and with Director Patricia Abejo on August 11, 2014 to discuss the plans of DTI to continue the connectivity of the 3 CDI cities to PBR even after the renewal period
Output 1.2 Signed Executive Order TCD: October 15, 2014	<ul style="list-style-type: none"> Monitoring of developments in DTI on the decision to have an EO signed by the President on PBR 	<ul style="list-style-type: none"> No decision yet on the EO
Output 1.3 Meetings of the Steering Committee and the PBR Technical Working Group Organized TCD: October 15, 2014	<ul style="list-style-type: none"> Provision of assistance to DTI in organizing the meetings 	<ul style="list-style-type: none"> The DTI with DBM has been organizing the meetings of the PBR Technical Working Group (July 8, 2014 and August 28, 2014)
Deliverable 2: Reviewed JMC Standards		
Output 2.1 Report on the Assessment of the DTI-DILG JMC 1, s 2010	<ul style="list-style-type: none"> Pursue the adoption of the study's recommendations with the oversight agencies 	<ul style="list-style-type: none"> Prepared the JMC and the corresponding manual and submitted these to the NCC

Program Area, Deliverables & Outputs	Planned Activities for the 12 th Quarter	Activities Completed for the 12 th Quarter
TCD: October 15, 2014	<ul style="list-style-type: none"> Finalization of the report 	<ul style="list-style-type: none"> secretariat Coordinated with the NCC in organizing three National Forums on the Revised BPLS Standards which have been scheduled in October 2014 Organized a meeting with the DILG and the BFP on the streamlining of procedures for securing an FSIC Drafted two documents for the BFP: (1) a circular revising the IRR of the Amended Fire Code of the Philippines; (2) A DILG circular to LGUs on the new procedures for securing an FSIC
Deliverable 3: Provided Technical Support to Oversight Committee on BPLS Reforms		
Output 3.1 Report on the Assistance Provided to the Oversight Committee on BPLS TCD: November 15, 2014	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Consulted with the DTI on the next meeting of the committee which is scheduled in November 2014

b. Plans for the 13th Quarter

The Project will continue to pursue the reforms with the oversight agencies, particularly the signing of the circulars on the next wave of permitting reforms. These agencies include DPWH, DILG, DOT, DOF and DOH.

On the adoption of the BPLS standards, the NCC will organize three island workshops dubbed as the “National Forum on the Revised Nationwide Streamlining of BPLS Project” in Manila for the 5 regions of Luzon (October 14-15, 2014), in Cebu for the 3 regions in the Visayas (October 28-29, 2014) and in Davao for the five regions in Mindanao. The objective of the forum is to disseminate the new service standards for processing business permits as discussed in the BPLS Oversight Committee Meeting, which is also scheduled to meet in November 2014. In these workshops, two of the CDI cities – Batangas and Cagayan de Oro – will be invited to present their experiences in streamlining BPLS under the INVEST Project.

Component 2: Improving Investment Planning and Promotion in Target Cities

Component 2 sought to capacitate partner cities in investment planning and promotion. Similar to the activities in the 11th quarter, the Project continued to assist the cities in institutionalizing investment promotion efforts through the establishment of Investment Promotion Centers.

1. Program Area 2.1: Supporting Capacity-Building Efforts of Partner Cities in Investment Planning and Promotion

In the 12th Quarter, the Project focused on completing the documentation of activities under Component 2 that have been previously completed. The Project also continued to provide

assistance to partner cities for post-business forum activities, particularly on the establishment of investment promotion centers.

a. Key Accomplishments

In Batangas City, the Project supported the gathering and analysis of data for the development of a virtual Investment Promotion Center (IPC) to be lodged in the city's official website. This was based on the IPC workshop held in the previous quarter. The Project also supported the initiative of the City in pursuing the establishment of the joint DTI Business Resource Center (BRC) and Batangas City Government (BGC) Investment Promotion Center. A series of meetings were held with DTI to discuss the development of the center, including revised designs, procedures for contracting local architects, and operational guidelines.

In Iloilo City, the Project conducted a strategic planning workshop with the newly-designated Local Economic and Investment Promotions Officer (LEIPO) on June 30-July 1, 2014. On July 9, the Project also conducted an IPC workshop to finalize preparations for the establishment of both a physical and a virtual IPC. The Project also assisted the LEIPO staff in the preparation for the Oct 22-24 Trade Mission in Makati.

In Cagayan de Oro City, the Project assisted the City in preparing an Executive Order that revised the implementing rules and regulations of the Cagayan de Oro Incentives Code. The Executive Order had three major features: (1) updating of the investment priority areas, to include only activities perceived as economic driver; (2) creation of the Trade and Investment Promotion Center and its Advisory Board; and (3) the designation of TIPC as the secretariat for incentives administration. The Executive Order was signed by the Mayor on August 20, in the presence of USAID Regional Director for East Asia and the Pacific Ernesto Uribe and representatives of Promote CDO and DTI-Misamis Oriental.

**Table 3. Comparison of Planned Activities and Accomplishments
for the 12th Quarter for Program Area 2.1**

Program Area, Deliverables & Outputs	Planned Activities for the 12th Quarter	Activities Completed for the 12th Quarter
Output 1.1 Investment Plan for Each Partner City TCD: November 15, 2014	▪ Preparation of the report	▪ Integrated in the final business forum report
Output 1.2 Revised Local Investment Incentives Code for Each Partner City TCD: November 15, 2014	▪ Preparation of the report	▪ Integrated in the final business forum report
Output 1.3 Project Briefs and Updated City Profile for Each Partner City TCD: November 15, 2014	▪ Preparation of the report	▪ Integrated in the final business forum report
Output 1.4 Proposed List of Programs and Projects for 2014(Carry-over from Year 2) TCD: November 15, 2014	▪ Preparation of the report	▪ Data gathered; for report preparation
Output 1.5 Report on the Implementation of the LEIPO Action Plan (Carry-over from Year 2) TCD: November 15, 2014	▪ Preparation of the report	▪ Data gathered; for report preparation

Program Area, Deliverables & Outputs	Planned Activities for the 12th Quarter	Activities Completed for the 12th Quarter
Output 2.1 Report on the Conduct of the Business Forums in Each Partner Cities, including Memorandums of Agreement Concluded and/or Partnerships Formed TCD: November 15, 2014	<ul style="list-style-type: none"> Preparation of the final report 	<ul style="list-style-type: none"> Drafted integrated business forum report, including Output 1.1 (investment plans), Output 1.2 (revised LIIC), and Output 1.3 (project briefs and city profiles)
Output 3.1 Report on the Post-Business Forum Activities of the Partner Cities TCD: November 15, 2014	<ul style="list-style-type: none"> Assistance to partner cities for the operationalization of the Investment Promotion Centers Preparation of final report 	<ul style="list-style-type: none"> Continued technical support to partner cities

b. Plans for the 13th Quarter

In the next quarter, the Project will submit to USAID the final reports on activities under Component 2. The Project will also push for the inauguration and the start of operations of the Investment Promotion Centers in Batangas City (virtual), Iloilo City (virtual center), and Cagayan de Oro City (physical and virtual center).

C. Component 3: Cross-cutting Concerns

The Project was on track in implementing its work plan for the third component during the quarter. A major event that drew attention to the Project was the 2nd Competitiveness Summit which was organized with the NCC. Preparatory work was also done for two additional activities which were just recently included in its work plan – the Liveable Cities Design Challenge (LCDC) and the assistance to USAID on CDI. The requirements for project closeout were likewise started during the quarter.

a. Key Accomplishments

For the 12th quarter, the Project completed its assistance to the NCC with (1) coaching provided to its staff in the computing the 2014 CMCI; (2) the joint sponsorship of the 2nd Competitiveness Summit on August 7, 2014 where the results of the CMCI ranking was publicly released; and (3) finalization of an operations manual on the cities and municipalities competitiveness index. More than 500 participants from different LGUs nationwide attended the Summit. The Project exceeded its target of producing a single manual for computing the CMCI, producing instead three (3) distinctly formatted manuals of operation, each for the NCC, the Regional Competitive Committees, and the cities and municipalities.

The activities for the LCDC gained momentum during the quarter. Nine mentors from the Alliance for Safe and Sustainable Reconstruction (ASSURE) were mobilized to coach 16 cities which signified their intention to participate in the competition.¹ A team of two mentors was assigned 3-4 cities, which benefited from two mentoring visits. The first visit was scheduled in July while the second visit occurred in August-September, as the cities were about to finalize their entries, which were due on October 1, 2014. Preparations for the screening of competing

¹ These cities include Angeles, Bacolod, Baybay, Butuan, Cebu, Cagayan de Oro, Iloilo, Marikina, Legazpi, Olongapo, Ormoc, Roxas, San Fernando (La Union), Tacloban, Valenzuela, Zamboanga.

cities and judging of finalists as well as the awarding ceremony were also started during the quarter.

Assistance to USAID in evaluating possible cities for inclusion in the CDI was also initiated during the quarter with the preparation of a detailed work plan and activity design for the visits to the cities, which the COR approved.

Component 3 of the Project also focused on the conduct of culminating activities, namely: (1) INVEST Experience Dissemination Forums in partner cities (the Forums in Batangas City and Cagayan de Oro City had been successfully concluded while the Forum is scheduled on October 2, 2014 in Iloilo City).

As the Project foresees its closure in December 2014, it started to finalize knowledge products in the format of guidebooks and manuals. It has also prepared its Close-out Plan and has started to generate ideas on how to go about the preparation of the Project Final/Terminal Report, particularly in gathering data and information that would capture the achievements as well as impact of the INVEST Project.

Details of the accomplishments of Component 3 of the Project for the 12th quarter are presented in Table 4.

**Table 4. Comparison of Planned Activities and Accomplishments
for the 12th Quarter under Component 3**

Deliverables & Outputs	Planned Activities for the 12th Quarter	Activities Completed for the 12th Quarter
Output 1.1 Manual of Operations for the Computation of the Competitiveness Ranking of LGUs	<ul style="list-style-type: none"> Finalization and submission of the Manual to USAID and NCC 	<ul style="list-style-type: none"> Contracted the services of Dr. Ang for the revision and finalization of 3 Manuals, namely: <ul style="list-style-type: none"> CMCI Manual version for the NCC CMCI Manual version for the RCCs CMCI Manual version for cities and municipalities Finalized and submitted 3 Manuals to USAID and NCC on September 8, 2014.
Output 1.2 Survey on the Competitiveness and Local Economic Development	<ul style="list-style-type: none"> None (Removed from the Work Plan due to failure in bidding as reported in previous reports) 	<ul style="list-style-type: none"> None (Removed from the Work Plan)
Output 2.1 Report on the Conduct of National and City INVEST Experience Dissemination Forums TCD: December 15, 2014	<ul style="list-style-type: none"> Review and finalization of Draft Guidebooks and Manuals Conduct of the Forum in the 3 partner cities Preparation of reports on the Forums Submission of reports on the conduct of Forums 	<ul style="list-style-type: none"> Reviewed the following draft guidebooks and manuals: 91) Guidebook for Integrating Development Plans of LGUs; (2) Guidebook on Local economic & Investment Promotions of LGUs; (3) Guidebook on Managing Risks and Responsibilities in Formulating and Implementing Development Projects of LGUs; (4) Basic Customer Service Skills Guidebook for LGUs

Deliverables & Outputs	Planned Activities for the 12 th Quarter	Activities Completed for the 12 th Quarter
		<ul style="list-style-type: none"> Extended the STTA engagement period of Richelda Miranda to undertake revision and finalization of guidebooks and manuals, as well as to prepare a Guidebook/ Manual on Computing Reasonable Fees at the Local Level Conducted the Forum on the New Wave of Permitting Reforms in: <ul style="list-style-type: none"> Batangas City on August 26, 2014 Cagayan de Oro on September 17 Prepared for the conduct of the Forum for Iloilo City scheduled on October 2, 2014
Output 2.2 Project Terminal/Final Report TCD: December 15, 2104	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Conducted initial discussions on the content and form of the Final Report as well as the strategies in collecting data and information
Output 2.3 Project Demobilization Plan	<ul style="list-style-type: none"> Preparation of Demobilization Plan for the Project 	<ul style="list-style-type: none"> Prepared and submitted the Close-Out Plan to USAID on August 29, 2014.
Output 3.1 Report on Gender Activities included in the Quarterly Progress Reports	<ul style="list-style-type: none"> Inclusion of a gender report in quarterly report 	<ul style="list-style-type: none"> Included gender report in quarterly report submitted on July 30, 2014
Output 3.2 Report on the Gender Perspective in the Business Permitting System	<ul style="list-style-type: none"> Preparation of the report on the gender perspective in business permitting system of partner cities 	<ul style="list-style-type: none"> Prepared report on gender perspective in business permitting system of partner cities
Monitoring of CDI Action Plans' Implementation in Partner Cities (for Economic and Governance Session only)	<ul style="list-style-type: none"> Organization of and preparation for the conduct of monitoring visit of USAID and dialogue with city officials 	<ul style="list-style-type: none"> Organized the CDI visit to Iloilo City, which is scheduled on October 2, 2014.
Extension Activities		
Output 2.1. Report on the Liveable Cities Design Challenge (LCDC)	<ul style="list-style-type: none"> Conduct of Mentoring Sessions with Competing Cities 	<ul style="list-style-type: none"> Conducted and completed the first and second coaching and mentoring sessions with competing cities between July and September 2014 Prepared materials for the Phase 3: screening, final judging and awarding of winners scheduled on October 7 and 8, 14, and 15, respectively Coordinated preparatory activities of Phase 3 events
Output 3.1 Report on the Selection of Additional Cities for CDI	<ul style="list-style-type: none"> Initial discussion with USAID on the direction of this activity 	<ul style="list-style-type: none"> Prepared a detailed work plan and design for the needs assessment of four cities identified by USAID

b. Plans for the 13th Quarter

As the Project approaches its closure in December 2014, the last 3 months (13th quarter) shall be devoted to completing the deliverables identified in the revised option year work plan approved by USAID.

The Project, together with the NCC, will be occupied with managing the last three culminating events of the LCDC. First, the screening of the 15 entries to a shortlist of seven is scheduled on October 7-8, 2014 with seven representatives from the DILG, ASSURE, Asia Society Philippines, Microsoft Philippines, the National Competitiveness Council, USAID and Urban Land Institute forming the screening committee. The seven shortlisted finalists will then be evaluated on October 14, 2014 by a panel of judges composed of representatives from the Climate Change Commission, USAID, the Bases Conversion and Development Authority, the DILG, Activistar Advocacy, UN Habitat and the NCC. The Final Conference and Awards Ceremony of the LCDC is scheduled on October 15, 2014 at the Philippine International Convention Center.

In line with the assistance to USAID for gathering baseline data for cities to be included in the CDI, the Project will be busy organizing visits to four cities – Tacloban, Tagbilaran, Puerto Princesa and Zamboanga. Aside from the visits to gather baseline information on the cities and establish links with stakeholders, the Project will also be organizing a needs assessment workshop in each of the four cities during the 13th quarter, which will identify issues impinging on local economic growth and development.

As part of its closeout, the Project will also be busy completing the remaining reports for submission to USAID, which will include those activities that will be completed during the quarter, e.g. the LCDC report and the needs assessment of additional pre-identified cities for CDI, knowledge products and the final/terminal report. Focus will also be on implementing the Project's Closeout, which was approved by the COR on September 10, 2014.

III. ACCOMPLISHMENTS BY CITY

A. BATANGAS CITY

Taking off from activities done in the 11th quarter to ensure sustainability of reforms, the Project focused on completing elements of important reforms and reviewing action plans prior to the City Program Adviser's exit from the city as full-time on-site staff. These include support in finalizing requisite documents for the registration of the Metro Batangas Business Club (MBBC) with Securities and Exchange Commission (SEC), gathering and processing data and content for the city's virtual investment promotion center, and continued engagement with DTI for the establishment of the joint DTI Business Resource Center-Batangas City Government Investment Promotion Center. The Project likewise presented four of its key studies together with proposed policy recommendations for further streamlining business registration-related processes.

The Project resumed extending technical assistance to Batangas City beginning September 2014. Guided by the study on building and occupancy permitting processes, the Project coordinated with the City Engineer's Office (CEO)/Office of the Building Official (OBO) to undertake a comprehensive mapping of the various steps and sub-steps that an applicant undergoes to secure building and occupancy permits. The Project will push for the formulation of specific recommendations that the city government can adopt to further streamline such processes supported by an action plan developed by the city by the end of the 13th quarter.

1. Institutional Strengthening

For the 12th quarter, a review of action plans were undertaken by the Project with both the LEIPO and BPLO. In addition, city government personnel involved in the issuance of constructed-related permits embarked on a study visit to Valenzuela City.

a. Key Accomplishments

Review of LEIPO Action Plan. On August 1, 2014, the CPA conducted a final review of the LEIPO Action Plan (until June 2015) and further specified targets and deliverables for monitoring purposes.

Review of BPLO Action Plan. On July 21, 2014, the CPA conducted a final review of the BPLO Action Plan (until December 2014/January 2015) and further specified targets and deliverables for monitoring purposes.

Study Visit to Valenzuela City for Construction-Related Permitting Processes. On July 4, 2014, through the facilitation of the Project, Batangas City officials involved in the various steps required to secure building and occupancy permits (CEO/OBO, Bureau of Fire Protection, BPLO, City Planning and Development Office, Office of the City Veterinary and Agriculture Services, City Environment and Natural Resources Office, and LEIPO), together with counterparts from Iloilo City, embarked on a study visit to Valenzuela City to learn about their streamlined process for building and occupancy permits. Valenzuela's system enables applicants to get each permit in two days at most, through efficient backroom operations. The system also curbs potential corruption practices by minimizing staff-client interface through an

innovative system that requires applicants to place application forms and required documents inside a city-supplied box which is dropped through an electronic terminal, and randomizing assignment of application review and inspections among city government and BFP staff.

In a post-study visit discussion conducted in July 31, 2014, Batangas City officials, spearheaded by the City Engineer/ Building Official, identified features of Valenzuela's system which they want to adopt in the city (almost the entire system). The city government is scheduling follow-up meetings with the Valenzuela OBO staff for technical meetings to enable BCG to replicate their system.

2. Streamlining of BPLS

Key activities undertaken during the 12th quarter included finalization of the design for the city's online registration system for 2015 (renewal of permits and new business registrations), drafting of a blanket city council resolution to allow the city to collect payments through various electronic means, development of a paperless checklist system for safety inspections, and mapping of steps and sub-steps involved in securing building and occupancy permits.

a. Key Accomplishments

Finalized design for online BPLS system for 2015. The CPA met with the BPLO officer and concerned IT personnel of the city government on July 16, 2014 to finalize the design of the 2015 online BPLS system for both new registrations and renewal of permits. Building on the success of the online system piloted with selected 100 establishments in 2014, beginning January 2015, the system will now be open to any business that would want to renew their permits online. Similar to the 2014 system, applicants may be able to apply for renewal online and get their Tax Orders of Payment (TOPs) through email. For new applications, the target is to have the system in place by February 2015.

Drafted City Council Resolution to Allow Collection of Payments through Electronic Means. Together with the USAID SIMM Project, the Project supported the drafting of a 'blanket' City Council (*Sangguniang Panglungsod*) resolution that would authorize the city government to collect payments (e.g. business taxes) through electronic means, including mobile money, Point-of-Sales, and online banking. This would be better than drafting separate resolutions for each type of electronic payment.

Supported the Monthly Meeting of the Safety Joint Inspection Team (JIT). The CPA and the LEIPO office supported the conduct of the second monthly monitoring meeting of the Safety JIT held on July 28, 2014. The meeting reviewed accomplishments of the Safety JIT to date and discussed issues, including lack of staff complement, scheduling prioritization, and equipment constraints, especially service vehicles. The meeting came up with recommendations, including requesting the City Mayor's Office (CMO) to expedite the hiring of current contractual staff into regular employees to augment the pool of inspectors.

Developed Prototype Tablet-Based Paperless Checklist for Safety JIT Inspectors. The city government successfully created a working prototype of the paperless checklist to be used by Safety JIT inspectors. The browser-based application can be used through computer tablets, thereby eliminating the need for paper-based checklists. This was presented by the Information Technology Services Division (ITSD) in a meeting with the Project on September 10, 2014.

Conducted Mapping of Processes in Securing Building and Occupancy Permits. One of the items that the Project committed to Batangas City when USAID instructed the provision of

continuing support to the three CDI cities was the formulation of recommendations to streamline processes involved in construction-related permits. The Project conducted data gathering and field research in the city on September 9 and 10, 2014; this initiative included meetings with relevant officials of the CEO/OBO, FGDs and interviews with applicants, and observation of processes inside the Building and Occupancy Permits One-Stop-Shop (BPOSS). The mapping exercise will help the Project formulate recommendations for streamlining such processes, and to the extent possible, develop an action plan with the CEO/ OBO and BPOSS Team.

Presented Studies and Recommendations for Next Wave of Permitting Reforms. On August 26, 2014, the Project, together with its consultants, presented four of its commissioned studies to Batangas City. These provided recommendations to streamline processes related to building and occupancy permits, health permits and conduct of sanitary inspections, business permits, and tourism-related permits vis-à-vis registration with concerned national agencies (i.e. Department of Tourism). The recommendations were presented as the next wave of permitting reforms which the city can consider implementing after the completion of the INVEST Project.

b. Planned Activities for the 13th Quarter

In the 13th quarter, the Project will finalize a comprehensive mapping/tracking exercise of the business and occupancy permitting processes in the city and will come up with a set of recommendations for consideration of the city government. To the extent possible, the Project will support action planning processes by the CEO/OBO and BPOSS staff for streamlining of these permitting procedures.

3. Enhancing Investment Planning and Promotion

In the 12th quarter, registration of the Metro Batangas Business Club at the SEC was undertaken. Further, discussions towards a formal agreement with the Makati Business Club (MBC) to support the group's organizational development were initiated. The Project also supported efforts towards establishment of both physical and virtual investment promotion centers.

a. Key Accomplishments

Provided Technical Assistance to the Metro Batangas Business Club (MBBC). In September 2014, the core group of the Metro Batangas Business Club filed for registration as a non-stock, non-profit corporation at the Securities and Exchange Commission (SEC). With regard to institutional strengthening, the MBBC and MBC initiated discussions to forge a partnership with the latter providing support to the development of MBBC as an organization geared towards promotion of the Metro Batangas area as an investment center and engaging with the city government and nearby towns to address critical issues hampering investments and investor interest. An initial draft of the Memorandum of Understanding (MOU) between the two parties was formulated in the 12th quarter.

Developed Virtual Investment Promotion Center. The Project supported the gathering and analysis of data for the development of a virtual IPC to be lodged in the city's official website. The elements are based on suggestions from DTI and the Board of Investment (BOI), drawn from templates provided during the June 2014 DTI-BOI training held in the 11th quarter. Majority of the content was prepared by LEIPO with support from the Project while IT staff began work on the IPC design on the technical (web programming) side.

Continued Engagement with the DTI on the Joint BRC-IPC Center. The Project supported the city government in pursuing the establishment of the joint DTI Business Resource Center and BCG Investment Promotion Center. A series of meetings were held with DTI to discuss the development of the center, including revised designs, procedures for contracting local architects, and operational guidelines.

b. Planned Activities for the 13th Quarter

For the 13th quarter, the Project will monitor the completion of the virtual IPC as well as establishment of the joint DTI-BCG center.

4. Building Partnerships

a. Key Accomplishments

Linkage with Other USAID Projects. Through the August 13, 2014 CDI Monitoring Visit (see next item), the Project, as well as city government, were able to establish linkages with other USAID projects operating in the city and province. These include projects on health, education, environment, and technology.

5. CDI-Related Activities

The Project supported the USAID CDI Monitoring Visit on August 13, 2014, led by Mr. Clay Epperson, Director for Program Resources Management and Kevin Sharp, Deputy Office Director for OEDG. In both the courtesy call to Mayor Eduardo Dimacuha and the CDI monitoring meeting proper, USAID reiterated its commitment to provide continuing support to Batangas City. The meeting gave an opportunity to the city government to report its accomplishments on its CDI Action Plan and learn initiatives being implemented by the various USAID Projects in the city and the province.

B. ILOILO CITY

In the 12th quarter, the Project continued to provide technical support to the City by assisting the LEIPO and the BPLO. The assistance to the LEIPO focused on activities leading to the establishment of an investment promotion center. The support given to the BPLO, on the other hand, focused on the establishment of an online BPLS, which the city hopes to operationalize in time for the renewal of business permits in 2015.

1. Institutional Strengthening

For the 12th quarter, the Project provided technical assistance to the new LEIPO in the implementation of its action plans.

a. Key Accomplishments

Conducted Strategic Planning with New LEIPO and Staff. With the designation by the Mayor of a new LEIPO, the Project saw the need to provide additional technical and capability-building support. From June 30 to July 1, 2014, the Project facilitated the holding of a strategic planning workshop for the LEIPO and her staff. The workshop enabled the LEIPO to map out important action plans that should be undertaken in line with her duties and responsibilities.

Assisted the LEIPO During the Province-Led Conduct of LEIPO Training. The new LEIPO also participated in the province-led conduct of LEIPO training on September 29-30, 2014. The Project provided technical support to the LEIPO so that she can maximize her learnings from the training.

Assisted BPLO in Various Meetings for Establishment of Online BPLS. The Project assisted the BPLO during meetings with the SIMM Project and UP Visayas for the establishment of an online BPLS.

Study Visit to Valenzuela City for Construction-Related Permitting Processes. On July 4, 2014, through the facilitation of the Project, officials from Iloilo City, together with counterparts from Batangas City, visited Valenzuela City to learn about their streamlined process for building and occupancy permits.

b. Planned Activities for the 13th Quarter

In the 13th Quarter, the Project will continue to provide technical support to both the LEIPO and the BPLO.

2. Streamlining of BPLS

a. Key Accomplishments

Provided Technical Support for the Establishment of an Online BPLS. The Project participated in the BPLS Technical Working Group meeting with UP-Visayas on July 2, 2014 which discussed data conversion needed for the planned online BPLS. The Project also assisted the BPLO in coordinating with SIMM for the mobile payment scheme, which together with the online BPLS will be launched in the next quarter. The online system was ready for systems checking by September 30, 2014.

Mobilized Third Party Assessment of BPLS Reforms. From July to September 2014, the Project mobilized a group from Western Visayas State University for third-party tracking of BPLS reforms in the city.

b. Planned Activities for the 13th Quarter

In the 13th Quarter, the Project will assist the City in launching its online BPLS, in preparation for the 2015 renewal of business permits.

3. Enhancing Investment Planning and Promotion

In the 12th Quarter, the Project assisted the City in planning for the establishment of an Investment Promotion Center. The Center was envisioned to be co-located at the Robinson's Mall with the DTI's Business Resource Center. The Project also pushed for the establishment of a virtual investment promotion center where business information and investment opportunities in the City can be accessed by potential investors.

a. Key Accomplishments

Conducted a Workshop on the Investment Promotion Center. The Project conducted a workshop on the establishment of the Investment Promotion Center on July 9, 2014. The workshop was attended by the new LEIPO and other LGU staff, private sector representatives

led by Mr. Felix Tiu of the Iloilo City Trade and Investment Promotion Board (ICTIPB), DTI, and UP-Visayas. The workshop discussed the key factors that usually influence investors' decision to locate in the city and assessed whether these are present in Iloilo City. The workshop also identified action steps that should be undertaken towards the establishment of a physical and virtual Investment Promotion Center. The participants agreed on a subsequent meeting to thresh out the budget requirements and fund sourcing for the IPC.

Provided Technical Support for the Establishment of the Virtual IPC. For the month of September 2014, the Project provided technical support to the LEIPO and UP-Visayas in the development of the Virtual Resource Center (virtual IPC). The role of the team from UP-Visayas was among the items discussed during the IPC workshop mentioned earlier.

Assisted the LEIPO in Preparing for the October 22-24, 2014 Trade Mission. The City planned to participate in a trade mission in Makati City on October 22-24, 2014. In view of this, the Project assisted the LEIPO in preparing for this trade mission.

b. Planned Activities for the 13th Quarter

The Project will continue to provide technical support to the LEIPO, particularly in the establishment of the IPC and in investment promotion activities. The Project will also seek to facilitate the conduct of a workshop for the review of the existing city investment incentives code.

4. Building Partnerships

a. Key Accomplishments

Linkage with Other USAID Projects. The Project led the preparation of the CDI Forum which was originally scheduled for July 14, 2014, but was moved to October 2014. The Project coordinated with other USAID projects during the preparations for this activity.

5. CDI-Related Activities

The Project took the lead in preparing for the USAID CDI Monitoring Visit on October 2, 2014.

C. CAGAYAN DE ORO CITY

In the 12th quarter, the preparations for the January 2015 business registration began. It was planned that online registration would be an option for business registrants in 2015. Hence, the Project assisted USAID SIMM in the setting up a mobile payment system at the city government. This will make end-to-end online registration an option for micro enterprises, which constitute more than 98% of registered businesses or an estimated 20,000 businesses that will register in January 2015. Launching of mobile payment will be done on October 22, 2014 from the original schedule in September.

The Project also formulated the new implementing rules and regulations of the Cagayan de Oro Investment Incentives Code which was signed by Mayor Moreno on August 20, 2014. The IRR updated the investment priority areas and established the Trade and Investment Promotion Center (TIPC). Under the IRR, the TIPC will provide business facilitation services, promote the city's competitiveness and act as the secretariat for the administration of local incentives.

On September 17, 2014, the studies on construction permits, sanitary permits, tourism accreditation and proposed new JMC on BPLS were presented to local stakeholders. The recommendations on the construction permit study is being incorporated into the Building Permit Management System which was designed by the Mindanao University of Science and Technology (MUST). The Project assisted the City government in acquiring the software by preparing a proposal to DOST- Region 10 for a Php 2 million grant.

1. Institutional Strengthening

Using as legal basis an ordinance passed in 2008 which was, heretofore, not implemented, the Trade and Investment Promotion Center was formally established on August 20, 2014 with the signing of an Executive Order. Previously, staff training was conducted by the BOI Cagayan de Oro Extension Office. A workshop on the results framework and major final outputs was also conducted.

a. Key Accomplishments

Drafted the Executive Order Establishing the Trade and Investments Promotion Center. The Project drafted an Executive Order providing for the creation of the Trade and Investments Promotion Center, in collaboration with Promote CDO and DTI-Misamis Oriental. The Executive Order also provided for the implementing rules and regulations of the Cagayan de Oro Incentives Code. The Executive Order was signed by the Mayor on August 20, 2014.

Obtained the Support of Other Agencies to the TIPC. The Project assisted in organizing a meeting of agencies involved in business licensing, such as the Food and Drug Administration (FDA), Environmental Management Bureau, DOT, and DA, to facilitate business documentation. It was agreed that each agency will assign a contact officer to assist business clients.

b. Planned Activities for the 13th Quarter

After publication for three consecutive weeks, the new implementing rules and regulations of the Cagayan de Oro Investment Incentives Code will be in effect. The Project, through the CPA, will give on-the-job training to the TIPC staff on the processing and evaluation of applications for incentives. Launching of the TIPC, as part of the communication campaign, will be held in October 2014.

2. Streamlining of BPLS

The Project assisted the City in establishing an end-to-end online business registration system, in preparation for the renewal of business permits in January 2015. The Project also conducted a dissemination forum on the next wave of business permitting reforms, focusing on construction, sanitary, and tourism permits. The forum provided inputs to the City in designing its Building Permit Management System, among others.

a. Key Accomplishments

Assisted the City in Establishing End-to-End Business Registration. The Project pushed for early preparations for the online registration in January 2015 so that there will be sufficient time for information dissemination. To support online registration, the Project assisted USAID SIMM

in setting up a mobile payment system by facilitating the passage of the enabling ordinance in June 2014.

Promoted Next Wave of Business Permitting Reforms. The dissemination forum for the three streamlining studies conducted by the Project, namely construction, sanitary, and tourism permits, as well as the proposed draft JMC, was conducted in September. As a result, the construction permit study will be inputted into the Building Permit Management System, which is being designed by the Mindanao University of Science and Technology under a Memorandum of Agreement with the City government.

b. Planned Activities for the 13th Quarter

The Project prepared the proposal to DOST Region 10 for another grant to the LGU to consist of workstations and software of the BPMS. With the help of the MUST IT expert, the Project will provide DOST 10 with the specifications on the software. When the proposal is approved, the Project will work for the approval of the CDO – DOST10 Memorandum of Agreement by the City Council.

3. Enhancing Investment Planning and Promotion

The Project assisted the City in establishing the Trade and Investment Promotion Center and in revising the implementing rules and regulations of the Cagayan de Oro Investment Incentives Code.

a. Key Accomplishments

The Project coordinated with Promote CDO DTI Misamis Oriental in revising the implementing rules and regulations of the Cagayan de Oro Investment Incentives Code. The revised IRR had three major features: (1) updating of the investment priority areas, to include only activities perceived as economic drivers; (2) creation of the Trade and Investment Promotion Center and its Advisory Board; and (3) designation of the TIPC as the secretariat for incentives administration. The Executive Order containing the new IRR was signed on August 20, 2014.

b. Planned Activities for the 13th Quarter

In the next quarter, the Project will assist the City in the launching of the TIPC. Pending applications under the CDO Investment Code will be processed by the TIPC with the guidance from the CPA. Approved applications will also be awarded during the launching. The manual of operation will be updated by the TIPC taking into account the new IRR.

4. Building Partnerships

a. Key Accomplishments

One of the main functions of the TIPC is business facilitation. For this purpose, the Project organized the TIPC network consisting of regional line agencies that are tasked to issue business licenses such as the Food and Drugs Administration, or agencies that are part of a business permitting process such as the Land Registration Authority. Most agencies have websites that explain the procedures and provide downloadable forms. The City website will

provide links to these websites and each agency has a contact person in case of issues raised by the business.

The Project also arranged the signing of a Memorandum of Agreement among the city government represented by the Mayor, Promote CDO and DTI-Misamis Oriental which confirmed the partnership of the three entities in the operation and management of the TIPC on August 20, 2014.

b. Planned Activities for the 13th Quarter

The Project will organize another meeting to firm up the agencies roles and the networking medium to be used in the operations of the TIPC.

IV. GENDER AND DEVELOPMENT

The challenge of achieving sustained and inclusive economic growth includes addressing the obstacles to gender equality and women empowerment. To contribute to the realization of these goals, a Gender and Development Action Plan (GAD-AP) was initially formulated in November 2011. The plan was revisited in January 2013 using the revised guidelines of the USAID which was incorporated in project activities. The plan is aimed at:

1. Building the capacities of project personnel to promote gender equality and integrating GAD in their respective responsibilities and activities;
2. Integrating gender equality concerns in the project workplan and monitoring and evaluation system; and
3. Providing equal opportunities for men and women to avail of capacity development programs supported by the project

A. KEY ACCOMPLISHMENTS

Given these objectives, the Project conducted the following activities during the quarter:

1. Conducted a Gender Analysis of Business Registrants in the 3 CDI Cities. The Project conducted a profiling study of business applicants in the three assisted cities for the period 2012-2013, which included a gender analysis using a crude way of determining the gender of applicants. The study, which is the first of its kind, provided interesting insights on the proportion of female-owned enterprises and the sectors that are dominated by women (e.g. trade (wholesale and retail) and food sectors). The study is currently being reviewed by PMO.
2. Ensured that the business permitting processes are gender-sensitive. Incorporating a gender-sensitive perspective in the design of business permit processes, the Project ensured that the partner city governments provide a special lane for pregnant women for the Business One-Stop Shops (BOSS) set up during the business renewal period.
3. Monitoring female/male participation in the activities of the Project.

As shown in Table 5 INVEST assisted in two (2) Action Planning Workshops, one (1) each for the CDO and Iloilo City Investment Promotion Center (IPC). For these capacity building activities, there were more women participating, i.e. 25 out of the 37 attendees.

In the two other activities of the project – the CDI Monitoring Visit and the Dissemination Forums, there were more men than women. Considering all the activities of project in the quarter, male participation slightly exceeded that of females, unlike previous quarters when there were almost equal numbers of men and women in project activities.

Table No. 5. Participants in Project-Supported Activities, by Gender

Events / Workshops	Date	Venue	Participants				
			Female		Male		Total
			No.	%	No.	%	
Component 2: Improving Investment Planning and Promotion in Target Cities							
Action Planning Workshop for the Investment Promotions Center (IPC)	9 July 2014	Iloilo City	14	63.6	8	36.4	22
Action Planning Workshop for the Investment Promotions Center (IPC)	10 July 2014	IPC Center, Cagayan de Oro	11	73.3	4	26.7	15
Component 3: Addressing Cross-Cutting Concerns							
USAID CDI Monitoring Visit in Batangas City/Presentation of INVEST Studies	26 August 2014	Batangas City	10	34.5	19	65.5	29
Accelerating Cagayan de Oro City's Competitiveness through New Business Permitting Reforms/ Presentation of INVEST Studies	17September 2014	The VIP Hotel, Cagayan de Oro City	17	41.5	24	58.5	41
		TOTAL	52	48.6	55	51.4	107

B. PLANS FOR THE 13TH QUARTER

As the Project ends, the INVEST team intends to undertake the following activities in relation to gender and development:

1. Finalize the integrated report of the business profiling study integrating gender profiles of each partner city;
2. Continue to advocate for a special window/lane for pregnant women in the BOSS of each city for the 2015 business renewal period;
3. Continue to monitor male/female participation in INVEST-sponsored activities; and
4. Complete the final gender report.

SUCCESS STORIES
AND
NEWS COVERAGE



SUCCESS STORY

USAID Supports System for Competitiveness Ranking of Cities and Municipalities

USAID provided technical assistance to the National Competitiveness Council for the holding of the 2nd Regional Competitiveness Summit where the 2014 competitiveness ranking of cities and municipalities was announced.



USAID Mission Director Gloria Steele delivers a message during the 2nd Regional Competitiveness Summit held at the Philippine International Convention Center.



NCC Private Sector Co-Chairperson Guillermo Luz explains the importance of competitiveness ranking of LGUs.

August 7, 2014. The USAID supported the National Competitiveness Council in the conduct of the 2nd Regional Competitiveness Summit, which released the results of the 2014 competitiveness ranking of 136 cities and 399 municipalities. The Summit was attended by 650 participants from cities and municipalities, national government agencies, media organizations, and the private sector. Mission Director Gloria Steele delivered a message during the program.

The cities and municipalities competitiveness ranking was based on a national framework for competitiveness and a corresponding set of indicators (from which the cities/municipalities competitiveness index or CMCI was constructed). These were formulated by the NCC with assistance from USAID's Investment Enabling Environment Project (INVEST). The CMCI compared 535 local governments using 28 indicators grouped into three equally-weighted pillars: economic dynamism, government efficiency, and infrastructure development.

Two of the cities under the Cities Development Initiative (CDI), made it to the top 10 most competitive cities – Cagayan de Oro and Iloilo Cities, which ranked 2nd and 6th, respectively.

The competitiveness ranking project of NCC is significant in many respects.

First, the formulation of a national competitiveness framework clearly sets in place the critical factors that the Philippines should focus on if it were to improve its ranking in different global competitiveness surveys. Second, using the index for assessing local government competitiveness recognizes the important role that sub-national geographical levels like cities play in driving economic growth and investment generation. Third, the organization of Regional Competitiveness Committees, which were tasked to generate the data for the index, sets in place the institution at the regional level that can promote competitiveness among local governments and sustain the computation of the index. Fourth, the CMCI has been used as one of the components of the Seal of Good Local Governance, an award system of the Department of the Interior and Local Government (DILG) in which LGUs given the Seal will be entitled to tap the Performance Challenge Fund. Fifth, the activity raises the consciousness of LGUs on the importance of providing an

localities, which in a way gives the LGUs part of the responsibility of generating investments. Sixth, the project provides a starting point for the newly-formed Philippine Statistical Authority to consider the CMCI as a "designated" statistics that should be collected regularly to aid the implementation and monitoring of the Philippine Development Plan. And lastly, putting the results of the competitiveness ranking online contributed to the government's policy of open data and has the potential of generating other studies that will be used for better policy making both at the national and local levels.

CDO PH's 2nd Most Competitive City after Makati

Aug 9, 2014 by Mike Banos, Editor-at-Large

Local: www.kagay-an.com

Link: <http://www.kagay-an.com/cdo-ph's-2nd-most-competitive-city-after-makati/>

CAGAYAN DE ORO CITY – The City of Golden Friendship has been ranked as the second most competitive city in the Philippines after Makati City, the country's premier financial district by the National Competitiveness Council (NCC).



Mayor Oscar S. Moreno raises the award for Cagayan de Oro City's ranking as #2 in Overall Competitiveness in the Philippines for 2014 during the 2nd Regional Competitiveness Summit held August 27, 2013 at the PICC, Manila. Also in photo are (L-R) National Competitiveness Council Private Sector Co-Chair Bill Luz, City Welfare Officer Teddy Sabugaa, City Information Officer Maricel Rivera, City Accountant Beda Elot, DTI-X OIC Linda Boniao, Local Economic & Investment Promotions Officer Eileen San Juan, City Budget Officer Percy Salazar, NEDA Dir. Gen. Arsenio M. Balisacan and DTI Usec. Adrian S. Cristobal, Jr. (photo courtesy of NCC)

Launched Thursday, 07 August 2014 at the Regional Competitiveness Summit, the Cities and Municipalities Competitiveness Index (CMCI) measures competitiveness at the local government level using 28 indicators grouped into three equally-weighted pillars: Economic Dynamism, Government Efficiency, and Infrastructure. Scores on each pillar were combined to form the overall score used to rank cities and municipalities.

Cagayan de Oro also ranked second in infrastructure, fifth in government efficiency, and ninth in economic dynamism.



“The award brings more inspiration and courage to pursue to their logical conclusions the reform programs that have been initiated, particularly on government efficiency, infrastructure and investment attractiveness,” Cagayan de Oro City Mayor Oscar S. Moreno said upon receiving the citation at the PICC. “Cagayan de Oro’s enhanced competitiveness not only benefits our people and the region, but the entire Mindanao as well!”



A major driver of Cagayan de Oro's Economic Dynamism is the Oro Chamber here shown inducting new members. (photo by Mike Baños, NPN)

Makati topped the overall rankings with an overall score of 53.242174, followed by Cagayan de Oro (49.363393), Naga City (49.075166), Davao (47.16761) and Marikina City (45.465443).

Rounding out the top 10 in overall competitiveness were the cities of Iloilo, Cebu, Manila, Valenzuela and Paranaque.

The CMCI 2014 featured a record number of 136 cities and 399 municipalities, up from 122 cities and 163 municipalities in the pilot run in 2013 which was topped by Cagayan de Oro.

For municipalities, Daet (Camarines Norte) was ranked the most competitive overall, followed by General Trias (Cavite) and Kalibo (Aklan).

Awards were also given to the top three cities and municipalities per category. While the National Capital Region swept the Economic Dynamism category with the cities of Parañaque, Makati, and Manila taking the top spots, the Government Efficiency category was dominated by cities outside Metro Manila.

The top cities for Government Efficiency were Naga (Camarines Sur), Iloilo (Iloilo), and Angeles (Pampanga).

For the Infrastructure category, the top cities were Davao (Davao del Sur), Cagayan de Oro (Misamis Oriental), and Marikina.

Among the municipalities, the most competitive for Economic Dynamism were Tanza (Cavite), General Trias (Cavite), and San Pedro (Laguna), all from Region IV-A, CALABARZON.

The most competitive municipalities for Government Efficiency were Kalibo (Aklan), Tupi (South Cotabato), and San Mateo (Isabela). Finally, for Infrastructure, the most competitive municipalities were Daet (Camarines Norte), Rodriguez (Rizal), and Paniqui (Tarlac).

The results highlight the importance of being competitive in several factors, especially those which are closely examined by potential investors. It should be noted that the top three cities and municipalities for overall competitiveness also received at least one award in a category.

In addition to pursuing across-the-board competitiveness, NCC Private Sector Co-Chairman Guillermo M. Luz advised stakeholders at the Regional Competitiveness Summit to work together in building cities and municipalities which are affordable, accessible, socially-acceptable, environmentally-friendly, economically-viable, and climate-resilient. The CMCI was designed to encourage local governments to regularly track data and eventually benchmark performance against other cities in the ASEAN to better manage their regions.

The CMCI was developed by the NCC through the Regional Competitiveness Committees (RCCs) with the assistance of the INVEST Project of USAID. City and municipality data used in the CMCI were voluntarily submitted by the RCCs.

Economic Dynamism scores were based on data on the size and growth of the local economy as measured by business registrations, capital, revenues, and occupancy permits; capacity to generate employment; cost of living; cost of doing business; financial deepening; productivity; and presence of business and professional organizations



Cagayan de Oro's improving health infrastructure help it attain a #2 ranking in Infrastructure Competitiveness. Shown is the blessing of a new wing of the J.R. Borja General Hospital. (photo by Mike Baños, NPN)

Government Efficiency scores were based on data on transparency scores, economic governance scores, local taxes and revenues, local competition-related awards, business registration efficiency, investment promotion, compliance to national directives, security, health, and education.



The Government Efficiency of the Cagayan de Oro City LGU was showcased when it topped the DOST's e-Readiness Survey Award based on the results of the Business Processing & Licensing System (BPLS) Survey and e-Readiness Survey for Cities and Municipalities, 2014. Here City Treasurer Glenn Bañez, INVEST CDO chair Eileen San Juan and City Mayor Oscar S. Moreno try out the new facilities of the city treasurer's office e-payment lounge

Infrastructure scores were based on data on existing road network, distance from city/municipality center to major ports, Department of Tourism-accredited accommodations, health infrastructure, education infrastructure, basic utilities, infrastructure investments, ICT connection, ATMs, and public transportation.

Makati, C. de Oro, Naga most competitive PH cities 2014 results of LGUs survey out

August 14, 2014 10:01 pm

by VOLTAIRE PALAÑA REPORTER

National Newspaper: Manila Times

Link: <http://www.manilatimes.net/makati-c-de-oro-naga-competitive-ph-cities-2014-results-lgus-survey/118982/>

Makati City, Cagayan de Oro (Misamis Oriental) and Naga (Camarines Sur) were recognized as the country's most competitive cities in the recently held 2nd Regional Competitiveness Summit.

At the summit, the National Competitiveness Council (NCC) announced the annual results of the 2014 Cities and Municipalities Competitiveness Index (CMCI), a program that measures and rewards competitiveness among local government units.

Daet (Camarines Norte), General Trias (Cavite), and Kalibo (Aklan) were honored as the top three competitive municipalities.

The CMCI is an index that measures competitiveness at the local government level, using 28 indicators grouped into three equally-weighted pillars: Economic Dynamism, Government Efficiency, and Infrastructure. Scores on each pillar were combined to form the overall score used to rank cities and municipalities.

The first CMCI in 2013 included 122 cities and 163 municipalities, which grew in number to 136 cities and 399 municipalities this year. NCC plans to double the number of LGUs covered by the CMCI next year to 1,000.

As NCC Private Sector Co-Chairman Guillermo Luz said in his welcome remarks, "Since the creation of the RCCs [Regional Competitiveness Councils], to the first round of CMCI and now to this year, significant progress has been made. And today, everybody is rushing to get themselves measured because they know that the true measure of competitiveness will attract businessmen and investors to locate in their cities."

In addition to pursuing across-the-board competitiveness, Luz advised stakeholders at the Regional Competitiveness Summit to work together in building cities and municipalities that are affordable, accessible, socially acceptable, environmentally-friendly, economically-viable, and climate-resilient.

Oro bullish on most competitive cities index

Local Newspaper: CDO Sunstar

Link: <http://www.sunstar.com.ph/cagayan-de-oro/local-news/2014/08/12/oro-bullish-most-competitive-cities-index-359247>

By Lenesse Marie Libres

Tuesday, August 12, 2014

DESPITE the city dropping down from last year's top rank and now only second to Makati City in this year's cities and municipalities competitiveness index (CMCI), the Cagayan de Oro City Government remains bullish on competing to propel the city's growth.

"We do not mind competing side by side Makati City," Mayor Oscar Moreno said during Monday's convocation program at the city hall. Moreno sees it as a pride to compete with the top cities in the Philippines.

According to him, the top 10 consists of Metro Manila cities mostly from Luzon.

Also, being ranked higher than the booming cities of Davao and Cebu is already a pride in itself.

"Actually, that is what competitiveness is about, competing with the top and most successful cities. We should be grateful that we are competing with the great ones rather than 'so-so.'

Second place is not so bad. But we always want to push further for future recognitions like this," he furthered.

The city made it to the top list of the Philippine's most competitive cities in 2014 with a score of 49.36 percent after Makati's 53.24 percent.

"We were nervous because the NCC [National Competitiveness Council] called and told us 'you will be happy' but refused to tell us what the results were," said Moreno.

Last week, Moreno and other City Government officials made an appearance during the Regional Competitiveness Summit 2014 held at the Philippine Convention Center in Manila.

Cagayan de Oro also ranked 9th in economic dynamism, 2nd in infrastructure and 5th in government efficiency.

The study was conducted by the 15 Regional Competitiveness Committees (RCC) all over the country.

The RCC was tasked to collate data from local government units (LGUs) to generate a city and municipality competitiveness index.

In 2013, 285 LGUs were ranked. To strengthen the index, 530 were ranked for the CMCI this year.

According to Local Economic and Investment Promotions officer Eileen San Juan, Cagayan de Oro city's lapses that caused it to drop second in this year's CMCI are yet to be distinguished.

"NCC did not disclose the reasons. But one of these days, we will be sitting down with the head of the local sectors such as DTI and DOT, to determine what are CdeO's strengths and weaknesses. So that we can also do something about it," San Juan said.

"Reasons for being ranked higher than Cebu and Davao were not disclosed by NCC too, but the two cities are doing well given their own performances in their own sectors. This does not always mean that we are better. Competitive pa rin," she added.

Moreno said the drop is due to bad roads. “It could also be that the search for this year consists of many cities more than last year. Given the bombing incident last year, the city is still lucky to be in the top.

“There is nothing to be ashamed of in this award. We are very grateful and proud. Ipaubaya muna natin ang top 1 sa Makati,” he said.

The NCC’s official website listed down the basis for the ranking.

For economic dynamism, scores were based on data of the size and growth of the local economy through business registrations, capital, revenues and occupancy permits, cost of living, cost of putting up businesses, financial deepening, productivity, capacity to generate employment, and presence of business and professional organizations.

Ranking for government efficiency was based on transparency, economic governance, local taxes and revenues, local competition related awards, efficiency of business registration, investment promotion, compliance to orders from the national government, health and education.

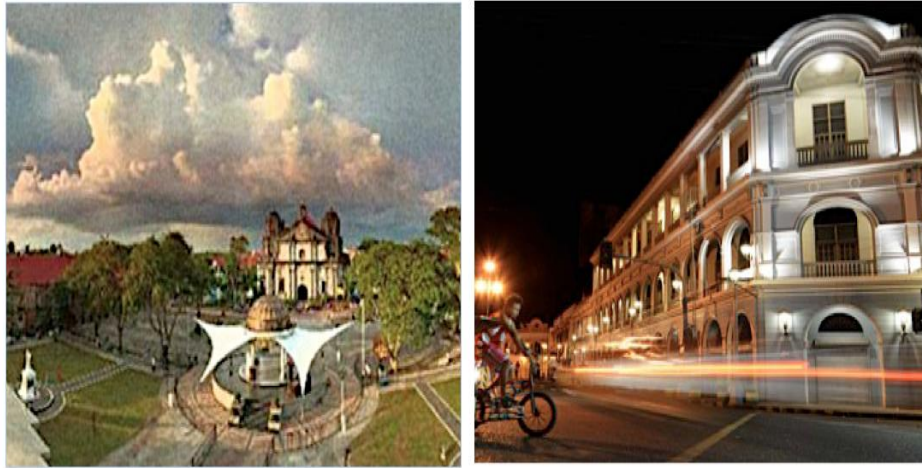
The Infrastructure ranking was based on data of existing road networks, distance from cities and municipalities to major ports, DOT accredited accommodations, hospitals and health centers, classroom and school buildings, basic utilities, infrastructure investments, ICT connection, ATM’s and public transportation.

NAGA, ILOILO AMONG MOST COMPETITIVE CITIES IN PH

POSTED BY GREKKA SARMIENTO ON AUG 8, 2014 IN FEATURED, LED NEWS

Development Agency: LGSP-LED

Link: <http://www.lgsp-led.ph/naga-iloilo-among-most-competitive-cities-in-ph/>



Cityscapes of Naga (left) and Iloilo (right).

8 August 2014—Local government achievements in becoming more business-friendly for the past year is evident and the National Competitiveness Council (NCC) took notice.

NCC released its 2014 competitiveness rankings yesterday with the cities of Naga and Iloilo at 3rd and 6th as most competitive city local governments, respectively.

In measuring a local government unit's competitiveness NCC looks at three (3) factors: economic dynamism, infrastructure, and, lastly, government efficiency—in which Naga City placed first and Iloilo City second.

Government efficiency scores are based on transparency, economic governance, local taxes and revenues, business registration efficiency, investment promotion, compliance to national directives, among others.

Both Naga and Iloilo are partners of Local Governance Support Program for Local Economic Development (LGSP-LED), a program of the Government of Canada and the Philippines through the Department of the Interior and Local Government (DILG).

From 2011 to 2013, LGSP-LED worked with Naga through the Metro Naga Development Council (MNDC) and Metro Iloilo through the Metro Iloilo-Guimaras Economic Development Council (MIGEDC) on tourism development initiatives that aimed to spur local economic development.

This involved enabling these LGUs to create policies, reforms, and management systems that encourage and facilitate business expansion strategically to spur inclusive growth. Trainings included business planning, destination marketing, and investment promotion, among others.



Left photo: Naga City Mayor John Bongat (center) during the Naga X launching ceremonies. Right photo: Iloilo City Mayor Jed Mabilog (third from left) at the InvestFair 2014, hosting potential investors from Canada.

After a two-year intervention with LGSP-LED, both cities recorded milestones in tourism development as measured through investments attracted and jobs created. The success of these initiatives can also attributed to the local government's efforts in organizing and engaging the local private sector, ensuring their projects are responsive to the needs of the local industries.

Both Metro Naga and Metro Iloilo continue to strengthen their role as an enabler of LED by strengthening efforts to further expand the benefits of tourism development to more communities in and around the city areas. The recognition at NCC's competitiveness ranking reinforces the best local governance practices of Naga and Iloilo in forwarding sustainable local economic development.